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Secretaría de Medio Ambiente
y Recursos Naturales

Experiences and lessons learnt from identifying and assessing financial needs: NDC Implementation in Mexico
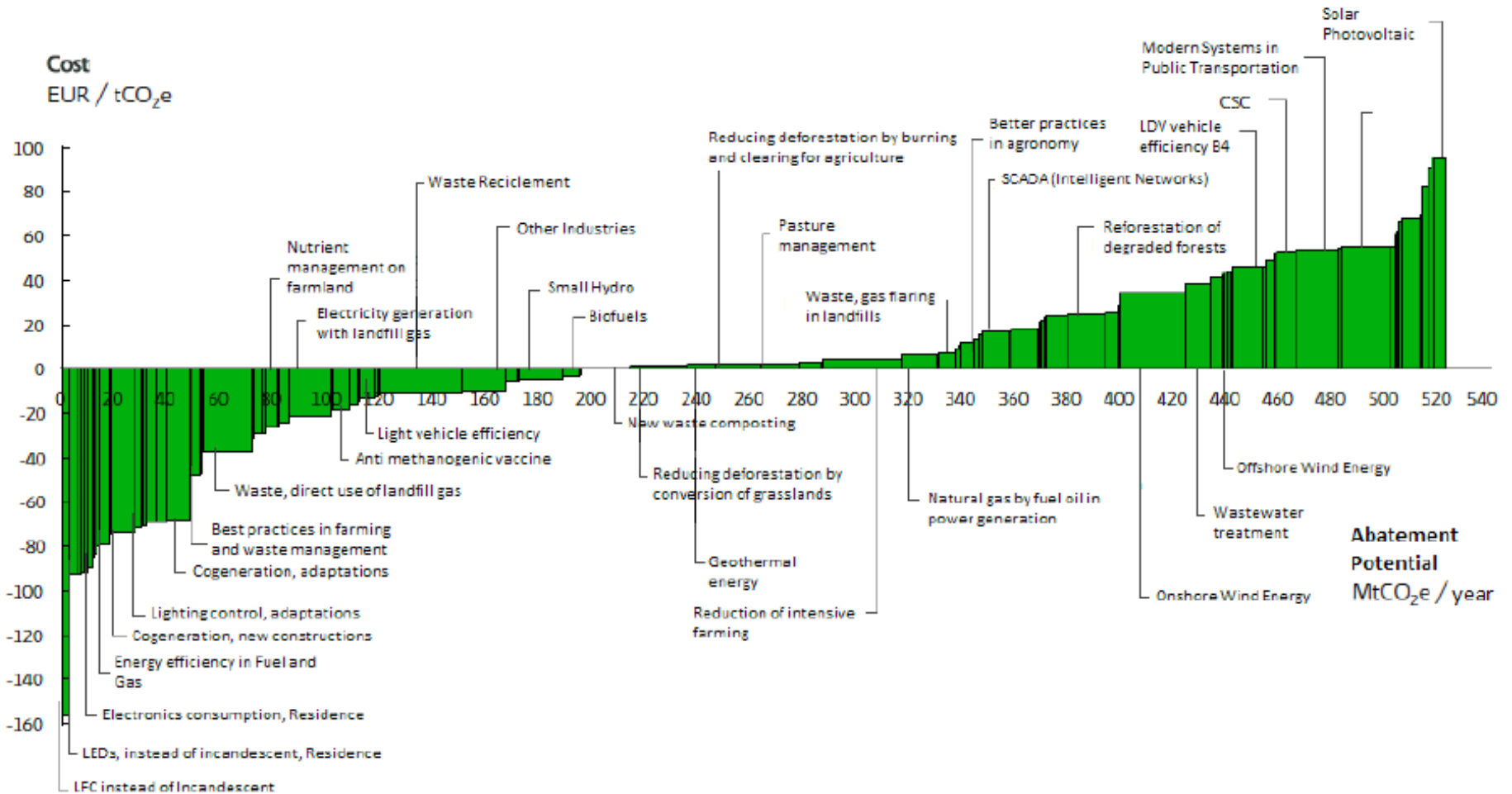
Long-term finance workshop

May, 2017

Bonn, Germany

Figure 17 Marginal abatement cost in Mexico estimated for 2030 (using 2010 data)
Source: (INECC and SEMARNAT, 2012)

MEXICO TARGETS AND NDC

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CONTEXT: NATIONAL TARGETS
From the Climate Change Law (2012) and the recently adoped Energy Transition Law (2015)

2020 30% GHG REDUCTION **below BAU**

2050 50% GHG REDUCTION **below** emissions in 2000

2024 35% Clean energy generation
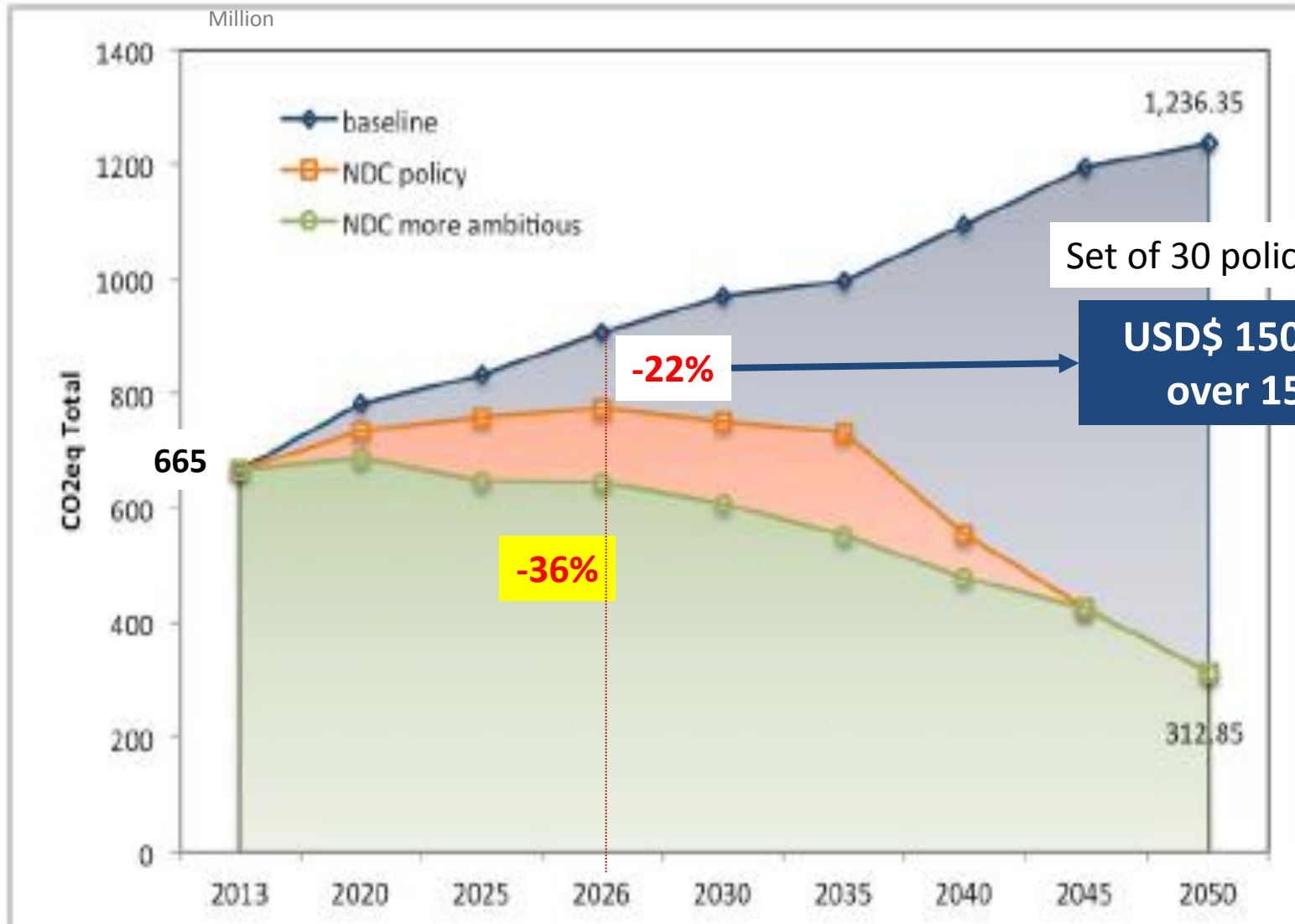
NATIONALLY DETERMINED CONTRIBUTION (NDC)

NON-CONDITIONAL TARGET
(MTon CO$_2$e)
2020-2030

2013	2020	2025	2030	TARGET 2030	ΔGHG
665	792	888	973	762	-22%

- **22%** GHG reduction below BAU

- **51% reduction** emissions of **black carbon** emissions

- Emissions peaking by 2026

- **Adaptation:** increase resilience and reduce vulnerability of most vulnerable municipalities, and of strategic infrastructure + ecosystems-based adaptation

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Million

baseline
NDC policy
NDC more ambitious

1,236.35

665

-22%

-36%

312.85

Set of 30 policies and actions

USD$ 150-160 billion over 15 years /p

- To reduce GHG emissions by 22%, we identified 30 policies and actions in different sectors
  - Investment (incl. operation and maintenance) needs add up to approx. USD$150-160 billion over 15 years

  - Policies or actions may change, based on economic circumstances. Nevertheless, a number of options are available. Need to update cost curves when possible, or at least for some promising actions

- How do you finance these policies and actions?
  - Transform policies into specific projects with business plans.
  - Develop projects to "investment-ready" stage
  - Search for potential financing sources
- Execute
- Monitor, report, verify results

THANK YOU FOR YOUR ATTENTION

Juan Carlos Arredondo Brun
Director General for Climate Change Policies
juan.arredondo@semarnat.gob.mx